

Section 172 statement

Directors are required by the Companies Act 2006 (the "Act") to provide a statement to report on how they have performed their duties in relation to Section 172(1) of the Act.

This statement sets out how the Directors have acted in a way that, they consider in good faith, promotes the Company's long-term success and sustainability for the benefit of its sole shareholder, Bupa Investments Overseas Limited ("Parent") and the ultimate parent, Bupa, and in doing so, had due regard for the matters set out in Section 172(1) of the Act.

The Board is guided by Section 172 of the Act when performing its duties and making decisions regarding the likely long-term impact, interests, concerns of its key stakeholders, the communities in which Bupa operates, its environment, and maintaining high standards of business conduct.

While Section 172(1) requires consideration of all stakeholders, due to the nature of the Company's operations as an investment holding company within the wider Bupa Group, the company does not have direct employee, supplier or customer stakeholder groups. Engagement with these stakeholders is undertaken by: the ultimate parent company of the Bupa Group, Bupa, where ultimate oversight and monitoring of strategy takes place; and at a local level by Market Unit and Business Unit management teams, where the business operates, and Bupa's strategy is executed and delivered. Further information on how Bupa and the business has engaged with its stakeholders can be found in the Section 172 and Engagement Statement in Bupa's 2024 Annual Report.

The Board held several meetings throughout 2024. Papers submitted to these meetings assisted the Directors to make well informed decisions by summarising key risks, noting how relevant stakeholders have been considered in the proposals, and noting the governance process undertaken prior to seeking Board approval. The Board of Directors is also comprised of senior executives in the Bupa Group; consequently, they all receive the information on business matters and participate in discussions on the Bupa Group's policies and practices that impact the Company, its key stakeholders and communities and environment in which the Company operates. The Directors are also aware and engaged on broader issues relating to stakeholders and the Bupa Group, which serves to inform their considerations when making decisions. Whilst the Company has no employees, its subsidiaries did employ people in 2024. The Directors had regular insight into employee matters and engagement, which could affect their decision-making, through their executive roles in the Bupa Group and in management meetings with business representatives over the course of the year.

Strategic decisions and their impact on stakeholders

During 2024 the Board made decisions relating to the ongoing management and continued support of its direct and indirect subsidiaries. When making these decisions, the Directors considered the needs of its key stakeholders. As the Company relies on the resources of the Bupa Group, including its employees, suppliers and other business relationships, the Directors considered the needs of these indirect stakeholders, and any consequent impact to them. The Directors also considered the financial responsibilities and obligations of both the Company and its subsidiaries, for the long-term sustainability of the Company and the wider Bupa Group.

One of the Board's key decisions during 2024 related to the payment of an interim dividend to its Parent. In making this decision the Board considered a range of factors, including: the long-term viability and financial strength of the Company; the funding needs of its Parent; the ongoing need for strategic investment; and its expected cash flow and financing requirements, including those of its subsidiaries. Ensuring its subsidiaries have the required level of capital to fund projects and/or meet legal and regulatory obligations, is in the interests of the Company, its Parent, and other stakeholders.